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SENSITIVE

STATE PLEASE PASS USTR FOR TGARDE AND DSHACKLEFORD  
COMMERCE FOR USPTO

SIPDIS

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SUBJECT: ROMANIA: DEMARCHE RESPONSE TO GEOGRAPHICAL  
INDICATIONS AND THE CONVENTION ON BIOLOGICAL DIVERSITY

REF: STATE 0104985

¶1. (U) This is an Action Request; please see paragraphs 5 and 6.

¶2. (SBU) EconCoun delivered reftel demarche points on October 16 to Victoria Campeanu, Director General for Trade Policies under the Ministry of Small and Medium Sized Enterprises, Trade, and Business Environment. Campeanu appreciated receiving the U.S. perspective but explained that Romania fully supports the Geographical Indications (GI) registry, as advocated by the European Commission (EC), and its extension to other products. She regretted the "inflexible" U.S. position and said there had to be points related to GI where the EU and U.S. could find common ground for further negotiations. Campeanu said that, while market access for agriculture and NAMA products is important, the GI issue is equally important for Europe.

¶3. (SBU) Campeanu asserted that diverging views on the GI registry arise from the differing developmental histories and economic systems of the United States and the European Union. She believes that in Romania, like the rest of Europe, Geographical Indications are necessary to protect the profits and reputations of small and medium enterprises. She cited a number of specific Romanian products, including cheese, marble, and ceramics, which in her view would benefit from the EC proposal. In the United States, she postulated, the reliance on trademarks alleviates the need for this protection. Campeanu did admit that producers may register GI for recognition in the United States, but in her view the process is difficult and the level of protection afforded is not the same. She defended the proposal for making the registry legally binding, stating that the process of registering in each WTO member country is too difficult, costly, and time-consuming for small and medium enterprises.

¶4. (SBU) Concerning the Convention on Biological Diversity (CBD), Campeanu admitted candidly that Europe's support for developing countries on patent disclosure rules was a "marriage of convenience" in order to advance their respective agendas in Doha. Romania supports the EU position for this reason but otherwise does not have strong views on India's and Brazil's positions. Campeanu was open to alternatives, including the possibility of a national contract-based system. She emphasized the importance of protecting producers' interests and ensuring product integrity.

¶5. (SBU) Following the discussion of GI and CBD, Campeanu raised three additional issues and asked that Romania's concerns be conveyed to Washington:

A) Romania seeks a "friendlier environment" for foreign producers seeking to register GIs with the U.S. Patent and Trademark Office (USPTO), particularly for wine and cheese products. Campeanu said the USPTO procedures are prohibitively time-consuming, complex, and costly.

B) With regard to the Lacey Act requirement for mandatory import licensing of wood products starting next year, Romania is opposed to

illegal logging but believes the list of products requiring a license is too exhaustive. Romania believes it should be limited to raw logs and cut lumber but not to such finished wood products as furniture. Overly-broad enforcement of the Lacey provisions will have an adverse effect on boutique products, like handcrafted furniture, which Romania exports to the U.S. market.

C) Campeanu expressed concern about the "zeroing" methodology used by the U.S. Department of Commerce in anti-dumping investigations. Characterizing zeroing as an "unorthodox method" which is "contrary to international norms," Campeanu noted that while Romania currently is not included in any anti-dumping investigations, it "fully shares" concerns of other EU members about the methodology.

¶6. (SBU) Action Request: Post would appreciate any additional guidance Washington agencies can provide in response to issues raised in para. 5.

GITENSTEIN